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EXAMINER

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte MATTHEW T. SHEA

Appeal 2015-000280
Application 11/849,091
Technology Center 3600

Before MURRIEL E. CRAWFORD, HUBERT C. LORIN, and
CYNTHIA L. MURPHY, *Administrative Patent Judges*.

CRAWFORD, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Appellant seeks our review under 35 U.S.C. § 134 of the Examiner's final decision rejecting claims 1–14 and 19–24. We have jurisdiction over the appeal under 35 U.S.C. § 6(b).

We AFFIRM.

BACKGROUND

Appellant's invention is directed to methods and devices for adapting content rendering, such as advertisements, based on attributes of an application such as ownership information or contextual information (Spec.

1)

Claim 1 is illustrative:

1. A method comprising:
executing, by a device, an application, including rendering primary output content of the application on a display of the device; and
rendering, by the device, secondary content on the display, supplementing the primary output content, based at least in part on a licensing/ownership attribute of the application describing a number of times the application has been initiated at a functional level.

The Examiner relies on the following prior art reference as evidence of unpatentability:

Kelly	US 2002/0010025 A1	Jan. 24, 2002
Hays	WO 2005/086969 A2	Sept. 22, 2005

Appellant appeals the following rejections:

Claims 1–14 and 19–24 under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter;

Claims 4 and 7 under 35 U.S.C. § 112, first paragraph, as allegedly failing to comply with the written description;

Claims 1–14 and 19–24 under 35 U.S.C. § 103(a) as unpatentable over Hays in view of Kelly.

ISSUES

Did the Examiner err in rejecting claims 1–14 and 19–24 under 35U.S.C. § 101 because the claims physically transform the primary content, recite an improvement in a technological process and do not preempt the technical field of data processing/computer graphics?

Did the Examiner err in rejection claims 4 and 7 under 35 U.S.C. § 112, first paragraph, because the Specification clearly discloses first, second, and third licensing/ownership attributes?

Did the Examiner err in rejecting claims 1–14 and 19–24 under 35 U.S.C. § 103(a) because the prior art does not disclose rendering secondary content based on the number of times the application has been initiated at a functional level?

ANALYSIS

Rejection under 35 U.S.C. § 101

In the Answer, the Examiner entered a new ground of rejection under 35 U.S.C. § 101. The Examiner held that the invention relates to the abstract idea of displaying content to a user, either primary content or secondary content and either game content or other content, and thus represents a fundamental economic practice. The Examiner further held that the claims do not include limitations that are significantly more than the abstract idea because they do not include an improvement to another technology or technical field or an improvement to the functioning of the computer itself.

An invention is patent-eligible if it claims a “new and useful process, machine, manufacture, or composition of matter.” 35 U.S.C. § 101. The Supreme Court, however, has long interpreted § 101 to include implicit exceptions: “[l]aws of nature, natural phenomena, and abstract ideas” are not patentable. *E.g., Alice Corp. Pty. Ltd. v. CLS Bank Int’l*, 134 S. Ct. 2347, 2354 (2014).

In determining whether a claim falls within the excluded category of abstract ideas, we are guided in our analysis by the Supreme Court’s two-

step framework, described in *Mayo* and *Alice*. *Id.* at 2355 (citing *Mayo Collaborative Servs. v. Prometheus Labs., Inc.*, 132 S. Ct. 1289, 1296–97 (2012)). In accordance with that framework, we first determine whether the claim is “directed to” a patent-ineligible abstract idea. *See Alice*, 134 S. Ct. at 2356 (“On their face, the claims before us are drawn to the concept of intermediated settlement, *i.e.*, the use of a third party to mitigate settlement risk.”); *Bilski v. Kappos*, 561 U.S. 593, 611 (2010) (“Claims 1 and 4 in petitioners’ application explain the basic concept of hedging, or protecting against risk.”); *Diamond v. Diehr*, 450 U.S. 175, 184 (1981) (“Analyzing respondents’ claims according to the above statements from our cases, we think that a physical and chemical process for molding precision synthetic rubber products falls within the § 101 categories of possibly patentable subject matter.”); *Parker v. Flook*, 437 U.S. 584, 594–595 (1978) (“Respondent’s application simply provides a new and presumably better method for calculating alarm limit values.”); *Gottschalk v. Benson*, 409 U.S. 63, 64 (1972) (“They claimed a method for converting binary-coded decimal (BCD) numerals into pure binary numerals.”).

The patent-ineligible end of the spectrum includes fundamental economic practices, *Alice*, 134 S. Ct. at 2357; *Bilski*, 561 U.S. at 611; mathematical formulas, *Flook*, 437 U.S. at 594–95; and basic tools of scientific and technological work, *Gottschalk*, 409 U.S. at 69. On the patent-eligible side of the spectrum are physical and chemical processes, such as curing rubber, *Diamond*, 450 U.S. at 184 n.7, “tanning, dyeing, making waterproof cloth, vulcanizing India rubber, smelting ores,” and a process for manufacturing flour, *Gottschalk*, 409 U.S. at 69.

If the claim is “directed to” a patent-ineligible abstract idea, we then consider the elements of the claim—both individually and as an ordered combination—to assess whether the additional elements transform the nature of the claim into a patent-eligible application of the abstract idea. *Alice*, 134 S. Ct. at 2355. This is a search for an “inventive concept”—an element or combination of elements sufficient to ensure that the claim amounts to “significantly more” than the abstract idea itself. *Id.*

We are not persuaded of error on the part of the Examiner by Appellant’s argument that the claims are not directed to an abstract idea and that none of the claims recite displaying content (Reply 7).

Claim 1, based on its express limitations, is directed to rendering primary content on a display and rendering secondary content on a display. As such, claim 1 recites displaying content. This rendering is based in part on a licensing/ownership attribute describing the number of times the application or game has been initiated. The secondary content is disclosed by the Specification at paragraph 12 to include advertisements, offers, and coupons. Therefore, claim 1 is directed to displaying advertisements, offers, and coupons based on the number of times that the application or game is initiated. The Specification discloses at paragraph 3 that the use of the licensing/ownership attribute allows the system to determine how likely a user of the games is to take some action in response to the advertisement, offer, or coupon. As such, the invention of claim 1 is a method of targeting the presentations of advertisements or offers by displaying the advertisement or offer based on the actions of the user which indicate whether the user is likely to take some action. This is akin to well-known economic practices of targeting the presentation of advertisements or offers based on various

actions of a consumer such as the frequent purchases of a user from a specific merchant, the purchase of specific products or services, and, therefore, the claims recite a fundamental economic practice.

The Appellant's arguments that the claims relate to transforming a scenic file to a digital image or raster graphics image file is not persuasive because claim 1 does not recite this subject matter.

In addition, we are not persuaded of error on the part of the Examiner by Appellant's argument that claim 1 satisfies the transformation prong originally outlined by the Federal Circuit in *In re Bilski*, 545 F.3d 943, 954 (Fed. Cir. 2008) (en banc), and subsequently confirmed as a useful and important clue, an investigative tool, for determining whether Appellant's claimed invention is a process under § 101 in *Bilski v. Kappos*, 130 S. Ct. 3218, 3227 (June 28, 2010). In particular, claim 1 does not transform a particular article into a different state or thing but rather at best corresponds to manipulation of data. *See Gottschalk*, 409 U.S. at 72.

We are not persuaded of error on the part of the Examiner by Appellant's argument that the subject matter of claim 1 is distinguishable from the subject matter which is the subject of *Alice* or *Bilski*, because nothing in either case states that the subject matter therein is the only subject matter that may be found to be abstract.

We are not persuaded of error on the part of the Examiner by Appellant's argument that the Examiner has provided no evidentiary support for alleging that claim 1 is directed to a fundamental economic practice. There is no requirement that Examiners must provide evidentiary support in every case before a conclusion can be made that a claim is directed to an abstract idea. *See, e.g.*, para. IV "July 2015 Update: Subject Matter

Eligibility” to 2014 Interim Guidance on Subject Matter Eligibility (2014 IEG), 79 Fed. Reg. 74618 (Dec. 16, 2014) (“The courts consider the determination of whether a claim is eligible (which involves identifying whether an exception such as an abstract idea is being claimed) to be a *question of law*. Accordingly, courts do not rely on evidence that a claimed concept is a judicial exception, and in most cases resolve the ultimate legal conclusion on eligibility without making any factual findings.” (emphasis added)). Evidence may be helpful in certain situations where, for instance, facts are in dispute. But it is not always necessary. It is not necessary in this case.

Turning to the second step of the *Alice* analysis, because we determine that independent claim 1 is directed to an abstract idea, the claim must include an “inventive concept” in order to be patent-eligible, i.e., there must be an element or combination of elements that is sufficient to ensure that the claim in practice amounts to significantly more than the abstract idea itself.

Appellant argues that the claims are directed to an improvement in the technical field of data processing/computer graphics with technical solutions of when and how to render secondary content supplementing the primary content.

We do not agree. As an initial matter, we note that the claims do not recite how content is rendered, but only that the content is rendered. In addition, we do not agree with Appellant that this process improves an existing technological process, and solves a technical problem in the data processing/computer graphics field and provides solutions that overcome technological problems within the field. Instead, we are persuaded that even Appellant’s more detailed description of its claimed subject matter relates to

an abstract idea of targeting the presentation of advertisements, offers, and coupons to consumers during game play. Of course, the advertisements and games are presented by the use of a device. This, however, does not, in itself, remove the claimed subject matter from the realm of the abstract as “necessarily rooted in technology.” *See Alice*, 134 S. Ct. at 2352 (holding a “computerized scheme for mitigating ‘settlement risk’ “ as unpatentable subject matter); *In re TLI Commc'ns LLC Patent Litig.*, 2016 WL 2865693, at *5 (Fed. Cir. May 12, 2016) (holding unpatentable a method for recording imaging with a phone, storing the images digitally, transmitting to a server, and sorting based on classification information).

In view of the foregoing, we will sustain the Examiner’s rejection of claim 1 under 35 U.S.C. § 101. We will also sustain the rejection as it is directed to the remaining claims under this rejection because the Appellant does not make arguments as to separate patent eligibility of these claims.

Rejection under 35 U.S.C. § 112, first paragraph

We are not persuaded of error on the part of the Examiner by Appellant’s argument that the first licensing/ownership attribute, second licensing/ownership attribute, and third licensing/ownership attribute are described in paragraphs 18–20 and 22. We find that paragraphs 18–20 and 22 disclose that the licensing/ownership attributes may include game level, number of times a user has assessed the game, whether the application is purchased or has free access, an indication of what level of the game the user has paid for. However, we agree with the Examiner that this is not a disclosure that one of these attributes is a first, second, or third attribute. In addition, this portion of the Specification does not disclose that that the

secondary content is rendered based on a first licensing/ownership attribute and is further based on a second licensing/ownership attribute. Rather, the portion of the Specification relied on by the Appellant to teach this subject matter only discloses various licensing/ownership attributes and not that any one of the attributes is considered a first, second, or third attribute or that a secondary content is rendered based on a first and a second attribute.

In view of the foregoing, we will sustain the Examiner's rejection of claims 4 and 7 under 35 U.S.C. § 112, first paragraph.

Rejection under 35 U.S.C. § 103

We will not sustain this rejection because we agree with the Appellant that the prior art does not disclose rendering secondary content based on the number of times the application has been initiated at a functional level. The Examiner relies on paragraphs 64 and 72 of Hays for teaching this subject matter (Final Act. 5).

We find that paragraph 64 of Hays discloses that an advertiser may provide options for the advertiser to specify measurements and tracking options for its advertisement campaigns that include measuring the number of times an advertisement was viewed. This disclosure does not relate to the number of times an application is initiated. Paragraph 72 discloses that advertisement can be provided at the beginning and end of a game and in between game levels (similar to commercials). While this disclosure relates to the initiation of an application or game, it does not relate to the *number* of times a game is initiated but, rather, is played at the beginning of a game regardless of how many times the game is initiated.

In view of the foregoing, we will not sustain this rejection as it is directed to claim 1 and claims 2–10 dependent therefrom. We will also not sustain this rejection as it is directed to the remaining claims because each of these claims also recite similar subject matter.

DECISION

We affirm the Examiner’s 35 U.S.C. § 101 rejection of claims 1–14 and 19–24.

We affirm the Examiner’s 35 U.S.C. § 112, first paragraph rejection of claims 4 and 7.

We do not affirm the Examiner’s 35 U.S.C. § 103(a) rejection of claims 1–14 and 19–24.

TIME PERIOD

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1) (2009).

AFFIRMED